Previous references. /

1903.

(Banking)

File No. 6 of 03-04

Serial Nos. 1-2

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-2.

Part B. for

SUBJECT.

Report on the Inspection of the Agr.ⁿ-Bank at Haldodderi, Sira Tk.

Table of Contents.

Sl.1. No. 153 dy. 12-10-03. From D. C. Tumkur.
Forwarding Inspection Report on the Agr.ⁿ-Bank at Haldodderi, Sira Tk.

Sl.2. No. R. 1213. dy. 5-11-03. To D. C. Tumkur.
Recording with the observation that the bank should be directed to pay particular attention to the instructions given by the Inspecting Officer

K. 1176

No. 153

Dy. Comm.r's Office,
Tumkur Dt.
Tumkur 12-10-03.

From

Serial No. 1.

M. S. Narayana Rao Esqr.
Dy. Com.r, Tumkur Dt.

To,

H. V. Nanjundia Esqr. M. A., M. L.
Secy. to the Govt., Gen.l & Rev. Deptt.

Sir.

I have the honor to forward herewith the Inspection reports of the marginally noted Agr.l Banks in this Dt.

I have the honor to be,
Sir,
Your most obedient Servant

(Sd) M. S. Narayana Rao
Dy. Com.r, Tumkur Dt.

* Ramjur in the Koratagere Sub. Tk.
Kaldodderi in the Sira Tk

Report on the inspection of the Agricultural Bank at Haldolden in the Sirsa Taluk.

Name and designation of the Officer

Mr C. Seshadrisoogar 1st General Assistant Commissioner and Jamabandy Officer

1. Date of present inspection.

26th and 27th June 1903.

2. Whether there is a duly registered suitable Bank office where members and depositors could call and have their business attended to; and if there had been any change in the office since last inspection, why necessitated and whether duly registered.

(a) The Bank Office is situated in a very small room which is a portion of the Presidents' house bearing Census no: 90.

(b & c). There has been no change in the Office since the formation of the Bank.

3 Whether any dates and hours are fixed for transaction of business, whether business is regularly transacted at those dates and hours; if no appointment is thus made, what arrangements exist for the due transaction of business when members and depositors call; and on how many days in a month is business done.

(a) No — But the business is transacted only as often as is necessary in a month.

(b) The President says that he always remains in his house a portion of which is the Office and that he attends business whenever the members or the depositors call.

4. Whether the Bank's registers, accounts, title-deeds, documents, cash balance and other property are kept in the Bank premises in the custody of the President and Agent; and if any of them are not so kept, where and how they are kept, under what authority and upon whose responsibility.

(c) The number of working d
in a month is not fixed.
But the business is said to
be done for about 15 days
a month on an average

(a+b) The Banks' Registers
are kept in the custody of
both the President and the
Agent. But the Key of the
Bank Office remains alwa
with the President

5. Whether the villages to which the members belong are sufficiently near (within a radius of five miles) to the Bank house, and duly registered; at what distance do the majority of members, the directors and office-bearers reside; and if business was extended to any new village, whether there was proper sanction for it.

(a) All the Villages are suffic
near and are situated wi
a radius of 3 miles.

(b). The majority of member
and office bearers reside
within a distance of abou
a mile from the Bank Off

(c) No new village has bee
added to the Bank since
last inspection.

6. As regards members, whether and to what extent there has been any increase or decrease in their number since formation of the Bank or last inspection; what was the decrease, if any, due to; were the new members duly qualified, duly elected, and registered; in case of members belonging to a joint Hindu family or otherwise possessing a qualified or limited status, whether there is proper representation of interests involved; whether in the practical working, the Bank has gained or lost in strength, energy and usefulness since formation or last inspection.

(a) The name of one added
member (Narasiappa) w a

was brought on the Bank's Register since last inspection, so that the number constituting the Bank is now 20 on the date of inspection

(b) No decrease.

(c) Yes - duly qualified and registered.

(d) The fact that the members of the joint Hindu family have attested the documents executed in favour of the Bank shows that there is proper representation of interests involved.

(e) Since the formation of the Bank, its total strength has increased by 4 members so that it has nominally gained in strength though in other respects it remains as it was when formed originally. The members find

7. As regards credit, solvency and resources of members, whether a complete and accurate list of the lands of members is maintained; if not, how is the omission explained; to what extent have fluctuations in the number of members affected the united credit of the Bank. Any notable instances of new acquisition or improvement since formation of the Bank or last inspection; any notable instances of sale or other kind of transfer, relinquishment or deterioration; how these have affected the solvency and resources of the members concerned and of the Association as a whole; what guarantee, if any, has the Bank obtained or the rules of the General Assembly afford against alienations and relinquishments prejudicial to the Bank's interests; compare the *net* amount of the value of property as per latest authenticated list with the amount of liabilities of the Bank at date of inspection.

find the institution useful.

(a + b) A complete and accurate list of the lands of members is maintained and the properties are said to be in the possession and enjoyment of the members as at the starting of the Bank.

(c) The fluctuation in the no: of members has not in any way affected the united credit of the Bank

(d) No such instances

(e) None

(f) The solvency & the resources of members and of the Bank continue to be the same as at starting.

(g). No special resolutions are made against alienations

(h) The net value of the property hypothecated to the Bank is ₹ 12595; and the

amount of liabilities of the Bank at the date of inspection is Rs 2433.

8. As regards Bank's funds, note whether the limit fixed at formation had been increased or decreased under due authority; whether the Bank has in its dealings unauthorizedly exceeded the limit and if so, how is this explained or proposed to be rectified Classify the Bank's funds at date of inspection with reference to the sources from which they were derived *viz.*—entrance fee, contributions, loans from Government, if any, loans from others, deposits from members (1) in cash and (2) in grain, deposits from outsiders, debentures etc. Note whether the Bank's credit is well established and sustained, or steadily growing; if otherwise, to what extent such result is due to any action or omission of the Bank's authorities and what other causes are likely to have contributed to it; whether the lessons of co-operation, mutual help and thrift are understood and practised, if not, inculcate them to as large a body of members and outsiders as can be gathered.

(a) The limits of the several classes of loans have in no case been increased or reduced

(b) No

(c) The Bank's funds are classified as follows:—

	Rs.	as	ps
(1) Entrance fee —	10	—	—
(2) Contributions —	—	—	—
(3) Loans from Government —	2250	—	—
(4) Loans from others —	—	—	—
(5) Deposits from members —	183	—	1
(6) Deposites from others —	—	—	—
(7) Fines and penalties —	161	—	0
Total —	2604	— 14	— 1

No paid X

(d) The Bank's credit is steadily growing.

(e) Yes - As far as possible

(f) explained also to the members present.

7

9. As regards Government loan, note whether the terms fixed for repayment are duly acted up to or there has been gross delay, dilatoriness or neglect; the amount outstanding against the Bank at date of inspection; whether the loan may be continued subject to the terms allowed for repayment or whether in your opinion it is advisable to withdraw the loan under the provisions of Sections 74 and 75 of the Articles of Association; and state reasons for such opinion briefly and concisely.

(a) Repayments of Governm loan are being made pm the balance of Rs 70 due by Bank towards the 2nd inst was credited on the dat noted below

Rs
50 - on 29/4-1902
20 on 31-5-1902
Rs
70

(b) The amount outstandin against the Bank at the da of inspection is Rs 2250/-

(c) Yes - Subject to the term allowed for repayment

10. As regards loans and deposits from others, note the terms allowed, generally in regard to rate of, interest and time for repayment; whether the sanction of the General Assembly had been obtained to the rates of interest and other essential terms; whether the obligations incurred were, in any way, in excess of the Bank's requirements or of what local conditions of credit, prudential considerations and the progress and well-being of the Bank justified; whether the Bank authorities are alive to the importance of placing themselves in a position to discharge the obligations incurred, punctually, completely and satisfactorily.

(a)

(a) The Bank has raised no loan from outsiders but a small sum of Rs 7-3- has been allowed to be deposited by a private person.

(b) Yes

(a) A few entries have been compared and found correct

11. As regards the Bank's transactions, compare the Cash Book with Ledgers, Receipts, Chalans, Cheques, Treasury Pass Book, Contingent and Establishment Registers, Documents etc. Is it posted up from actual transactions as they occur and in the order of their occurrence, and are entries made so clear as to be easily intelligible and traceable through the other accounts? If discrepancies and omissions due to mere oversight or ignorance are found, have them rectified in a business-like manner as far as practicable and note here such as are considered to be grave. In the case of corrections, see if they are initialled by the President and Agent, and if any of the corrections are not satisfactory, note briefly your objections. (a) (b) (c) (d)

(b) Slight omissions discovered in the entries have been caused to be rectified under the — initials of the President and the Agent

See if disbursements were duly authorised and are supported by proper vouchers.

Were the charges incurred under Establishment and Contingencies real or fictitious either wholly or in part, and if real, necessary? Is the rule about members rendering gratuitous service duly respected. (e) (f) (g)

(c). None

(d) Yes

(e) Yes.

(f) The establishment and contingent charges are real and are actually necessary

(g) Yes.

Note date of the last entry in the Cash Book, and the cash balance on that date according to the Cash Book and as forthcoming in the Bank's chest. Are instances frequent of the transgression of the limit fixed in the Articles of Association for cash balance in the hands of the Board of Directors, and how are they explained? Are large sums kept in hand for any length of time without being utilized? Is the facility afforded for keeping current account with the Treasury utilised as far as possible for minimising cash balances, if not, how is the omission explained? Has there been any complaint or ground for the belief or suspicion that needlessly large balances are retained by the Agent or President. (h) (i) (j) (k) (l)

(h) The date of last entry in the Cash Book is 26-6 190 The Cash Balance on the above date is Rs 62-14- It was examined and found correct

(i) The limit of cash balance has not been exceeded in any instance.

(j) No

(k) Yes

Note the general results of the Bank's cash transactions up to date of inspection in the appended form and see if the Cash Balance Sheet last submitted by the Bank is correct in all particulars. (m)

RECEIPTS.	Rs. a. p.	EXPENDITURE.	Rs. a. p.
From Treasury		To Treasury Current acct. principal repaid ..	
„ Depositors...		Depositors .	
Entrance fee ..			
Interest and penalty ...		„ Members, loan.	
Loans repaid ..		„ Govt. on acct. of interest .. Depositors,,...	
Other items ..		„ Printing charges ...	
		„ Establishment.	
		„ Contingencies	
		„ Other charges.	
Total		Total	

9

12. As regards loans to members, note if, in addition to the restrictions and limitations prescribed in Section 42 of the Articles of Association, the General Assembly has prescribed any limit with reference to the value of the landed property held by applicants for loan or offered as security by them; whether loans have been granted to any in contravention of these rules, members of joint Hindu family being taken as representing one account; how such transgressions are explained or proposed to be rectified; had any loans been granted to other than members in need or had any deserving applicants been denied to favor particular individuals, and had such instances produced feelings of distrust and discontent and impaired the cordiality and unanimity expected to exist among the body of members; are objects for which loans are applied for, explained with sufficient clearness in the darkhasts; is the application and use made of loans watched by the Board of Directors or other authority; have there been any instances of non-application or misuse, especially of sums obtained having been used by any member for purposes of trading or private banking or money lending.

Note the sums obtained and used for the several purposes indicated in the appended form.

Amount obtained.			Amount spent.		
	Rs.	a. p.		Rs.	a. p.
1 To discharge encumbrances,			1 For discharging encumbrances		
2 To " other debts,			2 To discharge other debts		
3 For agricultural purposes			3 For agricultural purposes		
(a)			(a)		
(b)			(b)		
(c)			(c)		
(d)			(d)		
			4 For other purposes		
			(a)		
			(b)		
			(c)		
			(d)		

(a) No

(b) A list marked A showing the Bank's transactions is appended. Cash balance sheet for the half year ending 31st Dec. 1902 has been examined and found correct

(c) The General Assembly has not prescribed any limits with regard to the value of the landed property offered as Security. But the directors ascertain by local enquiry that the valuation of the landed property offered by the applicants is correct in all its particulars

(d) No

(e) No loans have been granted to other than members in need.

(f) No

(g) Yes

(h) No such instances have been brought to notice.

(i) The sums obtained and used for the several purposes are given in the statement appended marked (B)

13. As regards securities obtained, note if the mortgage deeds in favor of the Bank are in proper form executed by the proper persons and duly registered; if prior mortgages in respect of property hypothecated to the Bank had been fully discharged and the mortgage deeds (duly discharged) produced in Bank together with title-deeds; in case of exceptions, when the mortgages are likely to be discharged and their amount; the proportion the loans of first class bear to the amount of property mortgaged; notable cases of undue preference, if any, with explanation; whether good and sufficient personal security was obtained in the case of the second and third class loans; whether in the case of simple debts repaid, documents discharged, receipts, &c., obtained had been produced, and in case of notable exceptions when they are expected to be produced.

Note particulars in the appended form of loans outstanding against members at date of inspection exclusive of repayments.

1st class.	2nd class.	3rd class.	4th class.	Total.	Value of property under mortgage to Bank.

(a) (a) Yes — in the prescribed form executed by proper persons and duly registered.

(b) The prior mortgage deeds have been produced and filed with the hypothecation deeds in the Bank.

(c) No exceptional cases.

(d) Total amount of loans of 1st class up to the date of inspection is Rs 1334/-

Value of property mortgaged by the 1st class loan holders to the Bank } - 8615/-

(e) No such cases

(f) Yes

(g) Yes - They all have been

14. As regards punctuality, completeness or otherwise in the payment of dues by members, Note whether the rule requiring strict punctuality, is borne in mind and enforced in all practicable cases, or whether there is any unhealthy tendency to evade it; how many are defaulters (1) among office-bearers and (2) among other members; the amount of instalments overdue remaining unrecovered at date of inspection, the amount of 2nd, 3rd and 4th class loans likewise overdue remaining unrecovered; causes of unduly large arrears and large number of defaulters; whether proper notice had been taken of defaults and adequate steps taken for recovery of arrears; whether renewals were granted with prudence and discrimination; whether the interest and penalty due to the Bank had been fully recovered and whether the interest due to Government and to other creditors duly paid; arrears, if any, how explained and when expected to be paid.

produced and filed with a
Bank papers.

(b) No exceptions

(i) A list (marked C) showin
the particulars of loans out
standing at the date of
inspection is appended.

(a) The rule is generally strictl
observed. But in many
cases loans are outstandi
and default is made
by them notwithstanding
the repeated demands
made upon them.

Defaults are made by
members in the following
cases -

6 in respect of 1st class loan
5 - Do - 2nd Do -
4 Do - 3rd Do.
3 Do - 4th Do

(b) One - Director Gundappa

(c) Amount of instalments

of

of 1st class loans overdue is
Rs - - - - - - - 122/-
Do - 2nd class - - - - - 128/-

(d) 2nd class loans overdue
is Rs 240/-
4th - do - - - - 24/-

(e) The cause of these arrears it was explained was due to the scanty harvest of raj crop and failure of wet crop.

(f) Yes; Notices have been issued to the defaulters.

(g) Yes

(h) Yes.

(i) Yes, with the exception of Rs 48-4-1 which is still due by members up to the date of inspection

(j) Yes.

K None.

10. As regards surplus, Note what this amounts to up to date of inspection, taking into account the arrears remaining unrecovered of interest and other items of income; how much of this has been realized; what amount has been carried to the Reserve Fund by resolution of the General Assembly; how the Reserve Fund is invested; how the remaining surplus is used or secured; whether any and what special charges tended to reduce the surplus; and if the Bank has other assets what they are and their value.

(a) (a) The surplus amounts to
Rs 2:20 — 2 — 1

(b) A sum of Rs 17/-+14— a has been realized.

c
x
d } None

(e) No special charges have been incurred so as to reduce the surplus.

(f) None.

16. As regards meetings of General Assembly, note whether the rules for convening these, the conduct of business therein and the recording and registering of resolutions are understood and duly given effect to; if not, explain the same to the office bearers and others present; note whether meetings had been held regularly every half-year: whether any and what number of extraordinary meetings had been held since last inspection; whether notices had been duly given to members; whether members were generally taking interest in the Bank affairs or whether there was party feeling; whether special resolutions had been duly confirmed and registered; whether any resolutions were inconsistent with the Articles of Association or other provisions of law.

(a) (a) Yes.

(b) (b) Explained.

(c) (c) Yes. Six ordinary meetings have been held, since the last inspection.

(d) (d) None. since the last inspection.

(e) (e) Yes.

(f) (f) Yes.

(g) (g) No

(h) (h) Yes.

(i) (i) No

... As regards Board of Directors, note whether and how often they meet for transaction of business; whether their resolutions are duly recorded in a book; if they do not meet, what arrangements exist for the discharge of their duties and functions and what record exists of their proceedings; whether any and which of them have been taking special interest in and working with zeal for the progress of the institution.

(a) (a) (a) The Directors meet as often as is necessary for the transaction of business

(b) Yes, in the Register kept for the purpose.

(c) No such arrangements are made.

(d) The Directors proceedings are recorded in the Minute Book.

(e) All the Office bearers take common interest in the working of the institution.

18. As regards supervision, whether any and what arrangements the General Assembly had made for control and audit, are they effective and satisfactory. (a)

(a) Three of the Directors Gundappa, Raghavendrappa and Krishnappa form the Audit Committe for supervising the Bank Accounts

(b)

(b) This arrangement is said to be working satisfactorily

19. As regards registers and accounts, see appended list, note therein which of them is kept and how.

I. Register of members — (1) Correctly Kept
II. ,, of applications for loan — (2) Do
III. Cash book — (3) Do
IV. Ledger
V. Minute book — (4) This register is not correctly Kept. Some of the entries are not properly written The President and the Agent have
VI. Register of balance sheets
VII. Property register
VIII Register of monthly cash abstracts
IX. Register of bonds
X Receipts by Bank
XI. Depositors' ledger
XII. Treasury pass book
XIII. Chalan book
XIV. Cheque book
XV. Receipts by members to Bank
XVI. Register of Directors
XVII. Register of Directors' Proceedings
XVIII. Register of appropriation of loans

have been warned to keep new Register

(5) Kept properly.

(6) Kept in loose sheets - warned to open a book.

(7) Correctly kept

(8) Kept in loose sheets - war to open a book.

(9) Newly opened

(10) Correctly kept

(11) Do

(12) Kept up

(13) Do

(14) Do

(15) Do

(16) Do

(17) Do

(18) Not kept - warned to

(19) Keep one at once.

(19) Kept

20) Kept

21) Kept correctly

22 — Do

XIX. " of contingent expenses
XX. " of disbursement of pay to estal lishment
XXI. " of From letters
XXII. " of To letters
XXIII. Visitors' book

(23) Kept up. 16

20. General remarks regarding the state of the Bank.

The Bank is on the whole working satisfactorily.

Alex Lawrie
Gen'l Assistant Comm'r
&
Jamaica Dandy Officer.

(A). Summary of the cash transactions of the Haldadderi of the Bank up to the 26th June 1903.

Receipts.	Amount			Expenditure			
Loans obtained from Government	3000	"	"	No.	Treasury loan account (towards principal)		
Amount recovered from Depositors —	198	2	1	V	Depositors — (Principal refund up to 26th June 190		
Entrance fee.	10	~~6~~ "	~~6~~ "	V	Members as loan —		
Loans repaid by members)	5295	"	"		1st Class —	3150	"
Interest and penalty	1077	13	5	V	2nd class —	1496	"
Other miscellaneous items.	96	5	1		3rd Class —	2006	"
	~~96~~	~~14~~	7	V	4th class —	1185	"
Total	9677	4	7				
				"	Government on account of interest		
				"	Depositors on account of interest		
					Establishment charges —		
					Contingent charges		
					Printing charges.		
					House rent —		
					Miscellaneous such as purchase of petty furniture, forms &c.		
					Refund of excess amount recovered.		
				-	Cash Balance in hand on the 26th June 1903		
					Total		

Agricultural Bank in the Sira Taluk since the form

Amount		
750	.	
15	2	
7837	.	.
624	7	1
8	6	4
173	8	.
33	15	5
29	5	.
35	8	.
106	13	4
"	5	4
62	14	1
9677	4	7.

Asst Commissioner

1st Optional Assistant Commissioner

(B). Statement showing the amount of loans obtained and used by the member for the several purposes connected with Agriculture - since the formation of the Bank up to the date of inspection viz. 26-6-03.

	Amount obtained	Rs.	a.	p.		Amount Spent	Rs.	a.	p.
	To discharge encumberances	1250	-	-		To discharge encumberances.	1250	-	-
2.	To liquidate other debts.	1493	-	-		To liquidate other debts -	1493	-	-
3	For the following agricultural purposes -	-	-	-		For the following Agricultural purposes -			
	For the purchase of bullocks, Carts, seeds &c. -	4277	-	-		For the purchase of bullocks, carts seeds &c -	4277	-	-
1.	For terracing earth for cultivation	195	-	-		For terracing earth for cultivation	195	-	-
	For sinking wells.	186	-	-		For sinking wells -	186	-	-
	For payment of Cundayam -	436	-	-		For payment of Cundayam -	436	-	-
	Total	7837	-	-		Total	7837	-	-

Head Overseer
Triplicane Agricultural Bank

((

Statement showing the particulars of loans outstanding against Members at the date of inspection viz 26-6-03 exclusive of repayments of the Agricultural Bank at Haldaddeni Sira Taluk

19

	1st class loans	2nd class loans	3rd class loans	4th class loans	Value of property under mortgage to the Bank!
Haldaddeni Agricultural Bank Sira Taluk.	1334	726	380	102	8615

Manager

Hon'ble Agent Assistant Commissioner

Mysore Govt. Gen. & Rev. Secretariat,
Revenue Branch.

File No. (if any) and its date—

+ No letter exists in this file
2/11/03

Office Draft.

Progs. of the Govt. of H. H. the Maharaja of Mysore.

Serial No. 1.

Read: Letter No 153 & 12.10.03 from the Deputy Comr, Tumkur Dt, submitting the report on inspection made by Mr C. Seshadrigiri, Asstt Comr and Bankers Officer of the Agricultural Bank at Haldoddi, Sira Taluk.

Order: No R 1213
Dt 5-11-03

Recorded with the observation that the bank should be directed to pay particular attention to the instructions given by the Inspecting Officer.

30/10/3
Secretary

To
The Deputy Commissioner,
Tumkur District.

No 31(1 C 1)

Compd
2/11/3.